

CREDIT CARD AGREEMENT

In this Agreement the words “you” and “your” mean each and all of those who apply for the card or who sign this Agreement. “Card” means a VISA® Credit Card and any duplicates and renewals we issue. “Account” means your VISA Credit Card Line of Credit account with us. “We,” “us” and “ours” means this Credit Union.

1. *Responsibility.* If we issue you a card, you agree to pay all debts and the FINANCE CHARGE arising from the use of the card and the card account. You are also responsible for charges made by anyone else to whom you give the card, and this responsibility continues until the card is recovered. You cannot disclaim responsibility by notifying us, but we will close the account for new transactions if you so request and return all cards. Your obligation to pay the account balance continues even though an agreement, divorce decree or other court judgement to which we are not a party may direct you or one of the other persons responsible to pay the account. If more than one person has applied for a card or signed the application, paragraph 15 below also applies to your account. You agree that you will not use or allow anyone else to use your card or PIN for any transaction that is illegal under applicable federal, state, or local law.

2. *Lost Card Notification.* If you believe your credit card has been lost or stolen, call the Credit Union immediately at: 1-800-540-8707. After business hours, please call 1-800-991-4961. To replace a lost or damaged card you will be charged \$5.00 per card.

3. *Liability for Unauthorized Use.* You will not be liable to the credit union for the unauthorized use of your card if 1) it is lost or stolen; 2) you report the loss or theft to the Credit Union within a reasonable time frame; and 3) the loss or theft was not caused by your gross negligence or fraud.

4. *Credit Line.* If we approve your application, we will establish a self-replenishing Line of Credit for you and notify you of its amount when we issue the card. You agree not to let the account balance *exceed* this approved Credit Line. Each payment you make on the account will restore your Credit Line by the amount of the payment which is applied to principal. You may request an increase in your Credit Line only by written application to us, which must be approved by us. By giving you written notice, the credit union may reduce your Credit Line from time to time, or with good cause, revoke your card and terminate this Agreement. Good cause includes your failure to comply with this Agreement, or our adverse reevaluation of your creditworthiness. You may also terminate this Agreement at any time, but termination by either of us does not affect your obligation to pay the account balance. The cards remain our property and you must recover and surrender to us all cards upon our request and upon termination of this Agreement.

5. *Credit Information.* You authorize us to investigate your credit standing when opening, renewing or reviewing your account, and you authorize us to disclose information regarding your account to credit bureaus and other creditors who inquire of us about your credit standing.

6. *Details About Your Monthly Payment.*

- (a) Monthly Statement. We will mail you a statement every month showing your Previous Balances of purchases and cash advances, the current transactions on your account, the remaining credit available under your Credit Line, the New Balances of purchases and cash advances, the Total New Balance, the FINANCE CHARGE due to date, and the Minimum Payment Required.
- (b) Minimum Payment. Every month you must pay at least the Minimum Payment within 25 days of your statement closing date. By separate agreement you may authorize us to charge the minimum payment automatically to your share or share draft account with us. You may, of course, pay more frequently, pay more than the minimum payment, or pay the Total New Balance in full, and you will reduce the FINANCE CHARGE by doing so. The Minimum Payment will be any portion of the Minimum Payments shown on prior statements which remain unpaid plus either (a) 3% of your Total New Balance, or \$25.00 whichever is greater, or (b) your Total New Balance if it is less than

\$25.00. In addition, at any time your Total New Balance exceeds your Credit Line, you must immediately pay the excess upon our demand.

- (c) Payments made to your account will be applied in the following order: Fees and Finance Charges; Previously Billed Purchases; Cash Advances; New Purchases. We may accept checks marked "payment in full" or words of similar effect without losing any of our rights to collect the full balance of your account with us.

7. *Finance Charges.*

- (a) When Finance Charge Begins. A finance charge will be imposed on cash advances from the date made or from the first day of the billing cycle in which the cash advance is posted to your account, whichever is later, and will continue to accrue until the date of payment. A finance charge will be imposed on purchases only if you elect not to pay the entire new balance of purchases shown on your monthly statement within 25 days from the closing date of that statement. If you elect not to pay the entire new balance of purchases shown on your monthly statement within that 25 day period, a finance charge will be imposed on the unpaid average daily balance of those purchases from the statement closing date (but not on purchases posted during the current billing period) and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire new balance of purchases is paid in full or until the date of payment if more than 25 days from the closing date.

- (b) Figuring the Finance Charge. The amount of the finance charge you will be charged depends on the type of card you have. The applicable finance charge, listed as an annual percentage rate, is as follows:

<u>Card Type</u>	<u>Annual Percentage Rate</u>	<u>Monthly Periodic Rate</u>
VISA Classic	9.90%	.825%
VISA Gold	7.90%	.658%

- (i) Cash Advances. The finance charge on cash advances for a billing cycle is computed by applying the monthly periodic rate to the average daily balance, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance is determined by adding to the previous balance for cash advances (the outstanding cash advance balance of your account at the beginning of the billing cycle) any new cash advances received and subtracting any payments as received or credits as posted to your account, but excluding any unpaid finance charges.

- (ii) Purchases. The finance charge on purchases for a billing cycle is computed by applying the monthly periodic rate to the average daily balance of purchases, which is determined by dividing the sum of the daily balances of purchases during the billing cycle by the number of days in the cycle. Each daily balance of purchases is determined by subtracting from the outstanding unpaid balance of purchases at the beginning of the billing cycle any payments as received and credits as posted to your account, but excluding any unpaid finance charges.

8. *Default.* You will be in default if you fail to make any Minimum Payment within 25 days after your monthly statement closing date. You will also be in default if your ability to repay is materially reduced by a change in your employment, an increase in your obligations, bankruptcy or insolvency proceedings involving you, your death or your failure to abide by this Agreement. We have the right to demand immediate payment of your full account balance if you default, subject to our giving you any notice required by law.

9. *Using the Card.* To make a purchase or cash advance, there are two alternative procedures to be followed. One is for you to present the card to a participating VISA plan merchant, to us or to another financial institution, and sign the sales or cash advance draft which is imprinted with your card. The other is to complete the transaction by using your Personal Identification Number (PIN) in conjunction with the card in an Automated Teller Machine or other type of electronic terminal that provides access to the VISA credit system. The monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit or other slips cannot be returned with the statement. You will retain the copy of such slips furnished at the time of the transaction in order to

verify the monthly statement. The Credit Union may make a reasonable charge for photocopies of slips you request.

10. *Returns and Adjustments.* Merchants and others who honor the card may give credit for returns or adjustments, and they will do so by sending us a credit slip which we will post to your account. If your credits and payments exceed what you owe us, we will hold and apply this credit balance against future purchases and cash advances, or if it is \$1 or more, refund it on your written request or automatically after 6 months.

11. *Foreign Transactions.* Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. Effective April 2, 2005, a 1% International Transaction Fee will be assessed on all transactions where the merchant country differs from the country of the card issuer. The converted transaction amount will be shown separately from the International Transaction Fee on your billing statement. This fee will be assessed on all international purchases, credit vouchers, and cash disbursements.

Effective April 2, 2005, the exchange rate for transactions in a foreign currency will be a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date; this rate may vary from the rate VISA itself receives, or the government mandated rate in effect for the applicable central processing date plus the 1% International Transaction Fee.

12. *Plan Merchant Disputes.* We are not responsible for the refusal of any plan merchant or financial institution to honor your card. We are subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the card only if you have made a good faith attempt but have been unable to obtain satisfaction from the plan merchant, and (a) your purchase was made in response to an advertisement we sent or participated in sending to you or participated in sending to you, or we own or operate the merchant; or (b) your purchase cost more than \$50 and was made from a plan merchant in your state or within 100 miles of your home. Any other disputes you must resolve directly with the plan merchant.

13. *Security Interest.* With respect to this account only, we will not assert any statutory right we may have if you are in default to prevent withdrawal of your Credit Union shares (deposits). The credit union waives any other security interest it may have for advances or purchases under this Agreement.

14. *Effect of Agreement.* This Agreement is the contract which applies to all transactions on your account even though the sales, cash advances, credit or other slips you sign or receive may contain different terms. We may amend this Agreement from time to time by sending you the advance written notice required by law. Your use of the card thereafter will indicate your agreement to the amendments. To the extent the law permits, and we indicate in our notice, amendments will apply to your existing account balance as well as to future transactions.

15. *Joint Liability.* Each person who has signed the application or applied for a card will be individually and jointly responsible for paying all amounts owed under this Agreement. This means that the Credit Union can require any one of you individually to repay the entire amount owed under this agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the account and the termination will be effective as to all of you.

16. *Copy Received.* You acknowledge receipt of a copy of this Agreement.

17. *Signatures.* By signing in the Signature area of the application form that was provided to you with this Agreement, you agree to the terms of this Agreement. You should retain this Agreement for your records.

18. *Insurance Coverage.* We offer Joint Credit Life and Single Credit Disability coverage at cardholder's expense. You can at any time cancel this coverage by notifying the credit union.

19. *Inactive Card.* The Credit Union reserves the right to deny reissue of a card that has not been used and/or activated during the two year renewal cycle.

YOUR BILLING RIGHTS (KEEP THIS NOTICE FOR FUTURE USE)

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or share draft account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

SPECIAL RULE FOR CREDIT CARD PURCHASES

If you have a problem with the quality of property or services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right.

- (a) You must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and
- (b) The purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services

Card Type	Annual Percentage Rate For Purchases, Balance Transfers and Cash Advances	Method of Computing	International Transaction Fee	Grace Period for Repayment	Annual Fee
Classic	9.90% APR*	Average Daily Balance (excluding new purchases)	1%**	You have 25 days to repay your balance for new purchases before a finance charge will be imposed. Excludes cash advances.	NONE
Gold	7.90% APR*				

OTHER CHARGES:

A \$5.00 fee for replacement cards. The information about cost of the card described on this application is accurate as of April 2, 2005. This information may have changed after that date. To find out what may have changed, please call us at 1-800-540-8707 or write to us at the address shown on the back of this application.

* Annual Percentage Rate

**Please refer to Foreign Transactions (Section 11) for more information.

As a credit union member, you now have the opportunity to apply for Credit Life and Disability Insurance on your credit union credit card.

IMPORTANT!

A death or disability can make a credit card balance become a financial burden. Credit Life Insurance can lessen that burden by paying the insured balance on your credit card if you die. Joint Credit Life is also available to insure the lives of you and your second cardholder, who is jointly and equally responsible for payment of your credit card. Credit Disability Insurance can make the minimum monthly payment on your credit card if you become totally and continuously disabled. Disability benefits are payable for the duration stated in your credit union's contract.

ECONOMICAL!

The cost of this coverage is reasonable. The monthly premiums are calculated on your outstanding balance.

EASY TO PAY!

Your credit card statement will show the cost of each month's insurance payment and will be automatically added to your bill. All you do is write one check. No separate bills or payments are required.

EASY TO GET!

Simply ask for an application today!

